

## **MINUTES**

Citizen's District Council Meeting  
City of Muskegon CDBG  
Conference Room 203  
Muskegon, Michigan  
Tuesday, March 3, 2015

## **CALL TO ORDER**

The meeting was called to order by Tom Pastoor at 5:35 p.m.

## **ROLL CALL**

Roll call was taken by Laura Hichue

Present: Tom Pastoor, Addie Sanders-Randall, Billie Quinn,  
Emma Torresen, Chris Carter, Kim Burr, Commission Johnson  
Absent: Rosalind Ford  
Staff Present: Oneata Bailey, Laura Hichue

Mr. Pastoor asked about the Youth Program that Mrs. Randall had asked about October. Oneata stated that it was in the Action Plan and is a City-wide goal that some of the CDBG money would be steered towards youth opportunities.

## **APPROVAL OF MINUTES**

A motion was made by Mrs. Burr to approve the minutes of the October 7, 2014 meeting. Mrs. Sanders-Randall seconded the motion which carried unanimously.

## **OLD BUSINESS**

Oneata gave a brief update on the status of the property at 1500 Leahy that it had finally closed on Christmas Eve. She stated that the buyer waited since February, 2014 to get the property because of the problems finding a lender that would take the risk because of the type of house and there were no comps available. Discussion took place regarding the long process of selling the home.

## **NEW BUSINESS**

CHDO Applications – Oneata explained the process of activity reporting by the CHDOs. She stated that it was procedure that if monies allocated were not spent by June 30, we would take the money back and use it for our own programs that were underfunded. A question was asked at the last End-of-the-Year Report why were we closing out activities and opening them back up the following year and adding more money. Oneata then explained the previous problems with carrying over monies and activities from prior years and that HUD had said to stop that procedure and wait until they are completed. She decided that if we were to keep the activities open, it didn't make sense to keep issuing money every year when there were still activities open, so instead of having deadlines, they would be open-ended and when a project is ready, they could apply then. Oneata reviewed Habitat for Humanity's project and said that they haven't started their 2014 money yet and will not be ready until June, so they wouldn't need any money now.

Mr. Johnson asked if all the CHDO's were in the same situation.

Oneata explained that they were and reviewed Trinity's project

Oneata stated that in order to stop this practice, it will just remain open, and once their project is completed, they can come to apply. The money will be there for them, and when they apply they will be ready with a project.

Mr. Carter asked if HUD was OK with the City holding the money.

Oneata stated as long as grant money is committed and used within 4 years.

Discussion took place regarding the timelines that money had to be used and Oneata clarified how it would work.

Mr. Johnson asked if the money can be allocated to any CHDO.

Oneata stated if any organization came to the City and was a qualified CHDO with a project, the grant could go forward.

Oneata explained that the City cannot use allocated CHDO funds and there is a requirement by HUD that 15% has to go to an agency or CHDO.

Mr. Pastoor asked for clarification of the process; previously certain CHDO's would come before the CDC and would be approved for certain amount but not ready to start a project.

Oneata said that would still be the way it works but the CHDO would have to have a project ready to go. It gives the CHDO an incentive to get prepared and be ready to come in and apply before the CDC.

Mr. Carter said his concern is to not have the money go back; if no CHDO comes to apply in 4 years he wanted something to be in place so the money would not have to be returned.

Oneata said that should not be a problem; with the monthly meetings every year, the CDC would know what is happening with the CHDO allocations.

Mrs. Torresen asked if money from a previous year could be used with the new year's allocation on the same project if a CHDO applied.

Oneata stated it could and would be tracked on IDIS.

Mrs. Torresen asked if CHDOs could be solicited.

Oneata stated that is allowable and the City would be advertising for soliciting CHDO's.

Oneata stated that an audit needs to be done before applying and the City monitors them annually.

Mr. Johnson asked if there are any stipulations on where a CHDO could build, i.e. houses next door to each other.

Oneata said there were none.

Mr. Pastoor asked that the CDC be informed monthly on the status of the CHDO allocations.

Oneata explained different examples of why projects are delayed.

Oneata stated that the application for CHDO's would go out in April.

Mr. Pastoor asked if there were any more CHDO's around the area.

Oneata stated that Family Promise had shown interest but didn't apply. Discussion took place about their organization.

## **STAFF REPORT**

Target Market Analysis (TMA) – Oneata explained the process of the analysis and they would be targeting Muskegon County. The County wants them to look at Montague, Roosevelt Park and Fruitport Township. The City of Norton Shores wants them to look at the K Mart Plaza area for a possible development there. The purpose of this study is to produce an affordable housing situation that would benefit the area. The City of Muskegon Heights will be tearing down several homes with a new grant and they will have a lot of open space; with this analysis, it will tell them what the best type of housing for those areas is. They will look at trends that have taken place recently in communities similar to ours and they are going to look at what businesses are here that are hiring and what type of housing would people want to live in if they were to move here. They will also be looking at new developments downtown and the Sappi property,

Discussion took place about other areas in the City for possible developing.

Oneata explained that each community is going to have a tour of their areas and if anyone on the CDC wants to go on the tour, it will be April 15 around 1:00 p.m. She further explained that on the 14<sup>th</sup>, there would be a tutorial of what the TMA is and that is also open to the CDC. An invitation will be sent to the Board.

Oneata explained the process of the study and that it will be completed at the end of May, but there will be monthly information provided by the company.

The Planning Department and the Downtown Development Authority will have copies of the study so if a business approaches, either place will know if a business will qualify or meet the qualities of what the study shows would be best for this area. If a business wants to go elsewhere, such as Whitehall, that would be the County's area.

Mrs. Torresen asked what becomes of the analysis.

Oneata says that the intent is to say that if there is a viable project that works in any of the areas studied, that we have done our work and have looked at the markets and the study will support the proposed project or business. She is not certain what the shelf life of the study is.

Mr. Carter stated that it is an important tool in encouraging development, especially downtown, and attract the young market and senior citizens to live downtown.

Analysis of Impediment Study – Oneata explained that the last study was done in 2009. CDBG requires that it periodically looks at housing trends, discrimination, bank practices and housing choice issues. Contact is made with Fair Housing agencies to do studies, look at bank data with lending issues. The City partners with Norton Shores, Muskegon Heights, and new this year the County of Muskegon has joined in the study. This allows the partners to share the cost and be able to compare their communities against the entire state. The intent is to see if there is anything that can be done collectively to stop the practice of housing discrimination.

Oneata is hopeful that the study will be complete before the April meeting so the Board can receive a copy. Oneata said there were some comments about each community and some collective things that could be done as a whole.

The 2015 allocations were passed out and discussed. The amount was less than last year.

Home Buyer's Assistance Program – Oneata stated that there have been 5 closings that assisted homebuyers since the program started. Discussion took place about the program.

## **DISCUSSION**

Mr. Carter moved to adjourn the meeting; Mrs. Randall seconded the motion. The meeting was adjourned at 6:40 p.m.

Next meeting will be April 7, 2015.